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REB 19 1963

ANNUAL REPORT

December 31, 1963

File J

Kirkland Minerals
Corporation Limited

Head Office: 9th Floor • 360 Bay Street • Toronto 1, Ontario

CAPITALIZATION

	AUTHORIZED	OUTSTANDING
Common Shares.....	5,000,000	3,550,005

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DIRECTORS

EARL A. GLICK	Toronto, Ontario
WILLIAM COLDOFF.....	Toronto, Ontario
HAROLD L. POUNTNEY.....	Toronto, Ontario
DAVID GLICK	Toronto, Ontario
KENNETH COAD	Toronto, Ontario

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OFFICERS

EARL A. GLICK.....	President
WILLIAM COLDOFF.....	Vice-President
KENNETH COAD	Secretary-Treasurer

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TRANSFER AGENT

Crown Trust Co. — Toronto

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EXECUTIVE OFFICES

9th Floor - 360 Bay St.
Toronto 1, Ont.

KIRKLAND MINERALS CORPORATION LIMITED

President's Report

TO THE SHAREHOLDERS:

The accompanying Balance Sheet and statement of operations for the year ending December 31st, 1963, prepared by the Company auditors summarizes Company activities for the past year.

I can advise you that Berkeley Mines Limited, which your Company controls and manages, proposes to start immediate drilling operations through the ice of Beaver Lake, to find the extension of the known orebody before going underground.

A great deal of interest has been created by general mining activity in Dollard and Sothman townships in the Sudbury district of northern Ontario, where Kirkland's wholly-owned subsidiary Beauvale Mines Limited has indicated better than 600,000 tons of nickel-copper ore by diamond drilling.

It is felt that 1964 will be a year of mine-making activity across Canada and your officers and directors will do everything possible to make Kirkland Minerals Corporation Limited a participating factor.

On behalf of the Board,

EARL A. GLICK, *President.*

KIRKLAND MINERALS

(Incorporated under the laws of the Province of Ontario)

Consolidated

AS AT 31 DECEMBER 1963

Assets

CURRENT

Accounts receivable \$ 2,340.97

INVESTMENTS

Subsidiary — Berkeley Mines Limited

Shares, at cost	\$ 336,969.67	
Advances	4,159.45	
Marketable securities, at cost, (Market \$51,063.50)	171,326.75	
Other securities, at cost and nominal values	174,753.00	687,208.87
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FIXED

Mining claim interests at book values 218,126.00

OTHER

Deferred expenditures of subsidiaries	\$ 209,333.06	
Prepaid expense	1,500.00	210,833.06
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		\$ 1,118,508.90
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Auditor

TO THE SHAREHOLDERS OF
KIRKLAND MINERALS CORPORATION LIMITED:

We have examined the attached Consolidated Balance Sheet of Kirkland Kiro Explorations Limited, as at 31 December 1963 and the related Consolidated Statement of Profit and Loss for the year ended 31 December 1963, and have made a general review of accounting procedures and such tests of accounting records and documents as we considered necessary.

The expenditures of subsidiary companies, who are still in the exploration stage, have been written off to current operations.

In our opinion the attached Consolidated Balance Sheet and related Consolidated Statement of Profit and Loss for the year ended 31 December 1963 and the results of their combined operations are fairly presented in accordance with the accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Ontario,
12 February, 1964.

CORPORATION LIMITED

(Incorporated in the Province of Ontario)

Balance Sheet

DECEMBER 1963

Liabilities

CURRENT

Bank loan and overdraft — secured	\$	16,249.64	
Due to broker — secured		2,677.73	
Salary payable		2,750.00	
Accounts payable		17,646.00	
Security sale agreement		1,000.00	
Unclaimed dividends		10,158.52	\$ 50,481.89

Minority interest in subsidiary 6,945.00

CAPITAL

Authorized — 5,000,000 shares of a par value of \$1.00 each			
Issued and fully paid — 3,550,005 shares	\$	3,550,005.00	
Deficit — per statement attached		2,503,507.99	
		<u>\$ 1,046,497.01</u>	
Surplus — attributable to the excess of the book value of subsidiary shares over the cost thereof		14,585.00	1,061,082.01
			<u>\$ 1,118,508.90</u>

Approved on behalf of the Board of Directors:

WILLIAM COLDOFF
(Director)

HAROLD L. POUNTNEY
(Director)

Report

Minerals Corporation Limited, and its subsidiaries, Beauvale Mines Limited and
Statement of Deficit for the year ended on that date. Our examination included a
other supporting evidence as we considered necessary in the circumstances.

ory stage, have been deferred to future periods, while expenditures of the parent

olidated Statement of Deficit fairly present the consolidated financial position of
for the year ended on that date, in accordance with generally accepted accounting

HALLADAY, ROBINSON & COMPANY,
Chartered Accountants.

KIRKLAND MINERALS CORPORATION LIMITED

(Incorporated under the laws of the Province of Ontario)

NOTES TO THE CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 1963

1. By agreement of 4 June 1963, contingent upon certain conditions, the company agreed to underwrite 100,000 shares of Berkeley Mines Limited at a price of 30¢ per share, or in the alternative to find some other acceptable underwriter for the said shares.
2. The accounts of a subsidiary company, Berkeley Mines Limited, have not been consolidated because of the present slight majority of ownership which is subject to change by reason of a current distribution of treasury shares of Berkeley Mines Limited.
3. Berkeley Mines Limited is in the exploratory stage and all expenditures have been deferred to future periods, consequently there is no profit or loss.

KIRKLAND MINERALS CORPORATION LIMITED

(Incorporated under the laws of the Province of Ontario)

CONSOLIDATED STATEMENT OF DEFICIT

FOR THE YEAR ENDED 31 DECEMBER 1963

Balance of deficit at 1 January, 1963		\$ 2,261,432.06
<i>Add:</i> Value applied to shares of subsidiary company distributed as a dividend	\$ 53,250.00	
Cost of shares of subsidiary company in excess of value applied to the distribution thereof	149,100.00	
Adjustment of proceeds of disposal of mine assets of prior year	3,996.26	
Administrative expenses for 1963		
Secretarial and office	11,200.00	
Legal and audit fees	7,773.80	
Transfer agents fees	6,944.58	
Management salary	7,500.00	
Shareholders' information	3,385.59	
Sundry expenses	342.36	
Directors' fees	550.00	
Bank charges and interest	473.26	
Stock Exchange charges	374.31	
Corporation fees and tax	239.59	
Travel expense	242.34	39,025.83
		<hr/>
Outside exploration costs	648.39	
Loss on security transactions	2,595.00	248,615.48
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		\$ 2,510,047.54
<i>Deduct:</i> Interest earned	\$ 5,543.14	
Clean-up bullion proceeds	996.41	6,539.55
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Balance of deficit at 31 December, 1963		<u>\$ 2,503,507.99</u>

THE CANADIAN PACIFIC RAILWAY COMPANY LIMITED

(Incorporated in Canada)

STATEMENT OF DEFICIT

FOR THE YEAR ENDING 31 DECEMBER 1965

Balance at 1964-65: \$1,000,000

Less: Dividends paid: \$1,000,000

Less: Reserve for contingencies: \$1,000,000

Less: Reserve for depreciation: \$1,000,000

Less: Reserve for interest: \$1,000,000

Less: Reserve for taxes: \$1,000,000

Less: Reserve for other: \$1,000,000

Less: Reserve for losses: \$1,000,000

Less: Reserve for expenses: \$1,000,000

Less: Reserve for interest: \$1,000,000

Less: Reserve for taxes: \$1,000,000

Less: Reserve for other: \$1,000,000

Less: Reserve for losses: \$1,000,000

Less: Reserve for expenses: \$1,000,000

Less: Reserve for interest: \$1,000,000

Less: Reserve for taxes: \$1,000,000

Less: Reserve for other: \$1,000,000

Less: Reserve for losses: \$1,000,000

Less: Reserve for expenses: \$1,000,000

Less: Reserve for interest: \$1,000,000

Less: Reserve for taxes: \$1,000,000

Less: Reserve for other: \$1,000,000